

## NOTICE OF THE ANNUAL GENERAL MEETING OF TALVIVAARA MINING COMPANY PLC.

The shareholders of TALVIVAARA MINING COMPANY PLC are hereby invited to the annual general meeting of TALVIVAARA MINING COMPANY PLC to be held on 28 April 2009 at 3.00 pm (Finnish time) at the Company's offices in Sotkamo, at Lahnasjärventie 73, Tuhkakylä, FIN-88120, Finland. Attendees are invited to arrive for registration from 2.00 p.m. (Finnish time).

### THE MATTERS TO BE PROPOSED TO THE MEETING FOR CONSIDERATION

The following matters will be dealt with at the meeting:

#### 1 MATTERS BELONGING TO THE ANNUAL GENERAL MEETING IN ACCORDANCE WITH ARTICLE 13 OF THE ARTICLES OF ASSOCIATION

The Nomination Committee of the Board of Directors proposes that Mr. Edward Haslam, Ms. Eileen Carr and Ms. Saila Miettinen-Lähde who resign by rotation from the Board of Directors pursuant to the Articles of Association be re-elected as Board Members, subject to their consent.

The Remuneration Committee of the Board of Directors proposes that the Board Members' compensation be kept unchanged, whereby the annual compensation would be as follows: Chairman of the Board of Directors EUR 153,000, Deputy Chairman (Senior Independent Director) EUR 64,000, Chairman of the Audit Committee EUR 64,000, other Non-executive Directors and executive directors EUR 48,000.

The Audit Committee of the Board of Directors proposes that authorized public accountants PricewaterhouseCoopers Oy be elected as auditor and that the auditor be reimbursed according to the auditor's approved invoice.

#### 2 PROPOSAL BY THE BOARD OF DIRECTORS TO AMEND ARTICLE 6.2 OF THE ARTICLES OF ASSOCIATION (RESTRICTION ON THE BORROWING POWERS OF THE BOARD OF DIRECTORS)

The Board of Directors proposes that the annual general meeting resolves to amend article 6.2 of the Company's Articles of Association to the effect that the maximum aggregate amount of all monies borrowed and outstanding shall primarily be defined with a formula basing on the capital and reserves of the Company. However, the maximum borrowing powers should under no circumstances be less than for €600 million. Following the amendment, article 6.2 would in its entirety read as follows:

"The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all monies borrowed by the Group (which expression in this Article means the Company and its subsidiary undertakings for the time being) and for the time being owing to persons outside the Group shall not at any time, without the previous sanction of a simple majority of votes cast (an "Ordinary Resolution") at the General Meeting, exceed the sum of capital and reserves recorded on the latest adopted balance sheet of the Company multiplied by two, or in the event that the amount so calculated is less than €600 million, a sum of €600 million."

#### 3 PROPOSAL BY THE BOARD OF DIRECTORS REGARDING AUTHORISATION OF THE BOARD OF DIRECTORS TO RESOLVE ON THE REPURCHASE OF THE COMPANY'S OWN SHARES

The Board of Directors proposes that the annual general meeting would resolve on authorizing the Board of Directors to decide on the repurchase, in one or several transactions, of a maximum of 10,000,000 of the Company's own shares. The proposed number of shares corresponds to less than 10 per cent of all the shares in the Company.

Pursuant to the proposal of the Board of Directors, own shares shall be repurchased in proportion other than that of holdings of the shareholders and by using the non-restricted equity. The shares shall be acquired through public trading at the share price prevailing at the time of acquisition.

The shares shall be repurchased in order to develop the capital structure of the Company or to finance or carry out future acquisitions, investments or other arrangements related to the Company's business or as part of the Company's personnel incentive program. The authorization shall also include the right to take the Company's own shares as pledge to secure the potential receivables of the Company. Own shares repurchased by the Company may be retained, cancelled or conveyed.

The Board of Directors shall decide on other matters related to the repurchase of the Company's own shares. The repurchase authorization is proposed to be valid until 27 October 2010.

#### **4 PROPOSAL BY THE BOARD OF DIRECTORS REGARDING AUTHORISATION OF THE BOARD OF DIRECTORS TO RESOLVE ON THE CONVEYANCE OF THE COMPANY'S OWN SHARES**

The Board of Directors proposes that the annual general meeting would resolve on authorizing the Board of Directors to decide on the conveyance, in one or several transactions, of a maximum of 10,000,000 of the Company's own shares.

The shares held by the Company may be conveyed to the Company's shareholders in proportion to their present holding or by waiving the pre-emptive subscription rights of the shareholders, if there is a weighty financial reason for the Company.

The shares may be conveyed in order to develop the capital structure of the Company or to finance or carry out future acquisitions, investments or other arrangements related to the Company's business or as part of the Company's personnel incentive program. The consideration, if any, paid in connection the conveyance of the Company's own shares shall be recorded in the invested unrestricted equity fund.

The Board of Directors shall decide on other matters related to the conveyance of the Company's own shares. The conveyance authorization is proposed to be valid until 27 October 2010.

#### **DIVIDENDS**

The Board of Directors has decided to propose that no dividend is paid and that the result of the financial period is entered into the company's profit/loss account.

#### **THE MEETING MATERIALS**

The proposals of the Board of Directors and its Committees relating to the agenda of the annual general meeting as well as this notice are available on the Company's website at [www.talvivaara.com/agm](http://www.talvivaara.com/agm). The 2008 Annual Report, which includes the Company's annual accounts, the review of the Board of Directors and the auditor's report, is scheduled to be available on the above-mentioned website during week 13. The proposals of the Board of Directors and the Committees as well as the 2008 Annual Report will also be available at the meeting. Copies of these documents will be sent to shareholders upon request.

#### **THE RIGHT TO ATTEND THE MEETING**

Only those shareholders who are registered as shareholders of the Company in the company's register of shareholders kept by Euroclear Finland Ltd on Saturday 18 April 2009 will be entitled to attend the annual general meeting (either in person or by proxy). As the relevant date is Saturday, the register of shareholders will be produced on the basis of the situation prevailing on the preceding business day, Friday 17 April 2009.

#### **Notice of attendance**

A shareholder who wishes to attend the annual general meeting, either in person or by proxy, must give notice of attendance to the Company by 4 p.m. (GMT+2) on Friday 24 April 2009. Such notice can be delivered to Ms. Outi Kärkkäinen either by e-mail to the address [outi.karkkainen@talvivaara.com](mailto:outi.karkkainen@talvivaara.com), by facsimile to the number +358 20 712 9801 or by mail to the Company's address Ahventie 4 B, 5<sup>th</sup> floor, Espoo, FIN-02170, Finland.

Eventual proxy documents for representing a shareholder at the meeting should be delivered in original form to the Company at the Company's address given above by 4 p.m. (GMT+2) on 24 April 2009 at the latest.

#### **Temporary entry in the register of shareholders**

#### **Crest Depository Interests**

A holder of Crest Depository Interests who wishes to attend the annual general meeting in person or by proxy shall notify this to Computershare Investor Services PLC in accordance with the instructions sent by Computershare Investor Services PLC separately to each holder of Crest Depository Interests.

#### **Other shares registered in the name of a nominee**

#### **Talvivaara Mining Company Plc**

Ahventie 4 B 47, 02170 Espoo, Finland

Tel +358 20 712 9800, Fax +358 20 712 9801

Reg.No. 1847894-2 [www.talvivaara.com](http://www.talvivaara.com)

A holder of shares registered in the name of a nominee who intends to use his/her/its right to attend the annual general meeting shall notify the custodian thereof in accordance with the instructions given by the custodian.

**LANGUAGE OF THE MEETING**

The annual general meeting will be held in the Finnish language, but questions can also be presented in the English language.

Espoo, on 17 March 2009

**THE BOARD OF DIRECTORS**

**TALVIVAARAN KAIVOSOSAKEYHTIÖ OYJ**  
**TALVIVAARA MINING COMPANY PLC**

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**VARSINAISEN YHTIÖKOKOUKSEN ESITYSLISTA**  
**AGENDA FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**28.4.2009**  
**April 28, 2009**

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- 1 § Kokouksen järjestäytyminen  
*Organization of the Meeting*
- 2 § Kokouksen laillisuus ja päätösvaltaisuus sekä ääniluettelon ja esityslistan vahvistaminen  
*Legality and Quorum of the Meeting and confirmation of the votes register and the meeting agenda*
- 3 § Toimitusjohtajan raportti tilikaudelta 2008  
*The Report of the Managing Director for the accounting period ending 31 December 2008*
- 4 § Tilinpäätös tilikaudelta 1.1.-31.12.2008  
*Financial statements as of and for the period ending 31 December 2008*
- 5 § Tuloslaskelman ja taseen vahvistaminen  
*Adopting the Profit and Loss Account and the Balance Sheet*
- 6 § Tilikauden tuloksen käsitteleminen  
*Recording the result of the accounting period*
- 7 § Vastuuvapaus hallituksen jäsenille ja toimitusjohtajalle  
*Discharge of liability to the members of the Board and the Managing Director*
- 8 § Hallituksen jäsenten palkkiot  
*Remuneration payable to the members of the Board*
- 9 § Hallituksen jäsenten lukumäärä ja valitseminen  
*Election and number of Board Members*
- 10 § Tilintarkastajan palkkio  
*Remuneration payable to the Auditor*
- 11 § Tilintarkastajan valitseminen  
*Election of the Auditor*
- 12 § Yhtiöjärjestyksen muuttaminen  
*Amending the Articles of Association of the Company*
- 13 § Hallituksen valtuuttaminen päättämään omien osakkeiden hankkimisesta  
*Authorizing the Board to decide on repurchase of the Company's own shares*
- 14 § Hallituksen valtuuttaminen päättämään omien osakkeiden luovuttamisesta  
*Authorizing the Board to decide on conveyance of the Company's own shares*
- 15 § Muut asiat  
*Miscellaneous*
- 16 § Kokouksen päättäminen  
*Adjournment of the Meeting*

**PROPOSAL BY THE BOARD OF DIRECTORS TO AMEND ARTICLE 6.2 OF THE  
ARTICLES OF ASSOCIATION (RESTRICTION ON THE BORROWING POWERS OF  
THE BOARD OF DIRECTORS)**

***Background***

The provisions of article 6 concerning limitation on the borrowing powers of the Board of Directors is based on the UK investor practice and on the recommendations and guidelines issued by the Association of British Insurers on the provisions of the articles of association of the companies listed on a UK-based stock exchange (ABI, Articles of Association and Associated Guidance – December 2008). The Articles of Association of the Company define the maximum borrowing powers of the Board of Directors as a fixed sum, stating that the aggregate amount remaining outstanding of all monies borrowed by the Group shall not at any time, without the previous sanction of a simple majority of votes cast at the General Meeting, exceed a sum equal to €600 million

Pursuant to the guidelines, the maximum borrowing powers may be defined on the basis of fixed limits, or it may be derived from a formula basing on the company's capital and reserves and the development thereof. The guidelines do not define in detail the acceptable ratios between the borrowing powers and equity for each sector, but state as a rule of thumb that restricting the borrowing powers to a sum that is twice the sum of capital and reserves of the company can generally be considered acceptable.

The Board of Directors is of the opinion that defining the maximum borrowing powers only with a reference to a fixed limit may prove to be unnecessarily cumbersome and restricting, especially in the current market situation where sudden changes in the business environment bring about both new challenges and opportunities to which the Company should be able to react swiftly.

***Proposal***

Therefore, the Board of Directors proposes that the annual general meeting resolves to amend article 6.2 of the Company's Articles of Association so that the maximum aggregate amount of all monies borrowed and outstanding shall primarily be defined with a formula basing on the capital and reserves of the Company. However, the maximum borrowing powers should under no circumstances be less than for €600 million. Following the amendment, article 6.2 would in its entirety read as follows:

*“The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (so far, as regards subsidiary undertakings, as by such exercise they can secure) that the aggregate amount for the time being remaining outstanding of all monies borrowed by the Group (which expression in this Article means the Company and its subsidiary undertakings for the time being) and for the time being owing to persons outside the Group shall not at any time, without the previous sanction of a simple majority of votes cast (an "Ordinary Resolution") at the General Meeting, exceed the sum of capital and reserves recorded on the latest adopted balance sheet of the Company multiplied by two, or in the event that the amount so calculated is less than €600 million, a sum of €600 million.”*

Espoo, March 12, 2009  
The Board of Directors

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**PROPOSAL BY THE BOARD OF DIRECTORS REGARDING AUTHORISATION  
OF THE BOARD OF DIRECTORS TO RESOLVE ON THE REPURCHASE OF  
THE COMPANY'S OWN SHARES**

The Board of Directors proposes that the annual general meeting would resolve on authorizing the Board of Directors to decide on the repurchase of the Company's own shares on the following conditions:

By virtue of the authorization, the Board is entitled to decide on the repurchase, in one or several transactions, of a maximum of 10,000,000 of the Company's own shares. The proposed number of shares corresponds to less than 10 per cent of all the shares in the Company.

Own shares shall be repurchased in proportion other than that of holdings of the shareholders and by using the non-restricted equity. The shares shall be acquired through public trading at the share price prevailing at the time of acquisition. The maximum price payable for any repurchased share shall be the higher of:

- (i) an amount equal to 5% above the average closing price of such shares for the five business days on the London Stock Exchange prior to the date of purchase; and
- (ii) an amount equal to the higher of the last independent trade and the highest current independent bid on the London Stock Exchange.

The shares shall be repurchased in order to develop the capital structure of the Company or to finance or carry out future acquisitions, investments or other arrangements related to the Company's business or as part of the Company's personnel incentive program.

Own shares acquired to the Company may be held, cancelled or conveyed. The authorization shall also include the right to take the Company's own shares as pledge to secure the potential receivables of the Company.

The Board of Directors shall decide on other matters related to the repurchase of the Company's own shares.

The repurchase authorization is proposed to be valid until October 27, 2010.

Espoo, March 12, 2009  
The Board of Directors

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**PROPOSAL BY THE BOARD OF DIRECTORS REGARDING AUTHORISATION  
OF THE BOARD OF DIRECTORS TO RESOLVE ON THE CONVEYANCE OF  
THE COMPANY'S OWN SHARES**

The Board of Directors proposes that the annual general meeting would resolve on authorizing the Board of Directors to decide on the conveyance of the Company's own shares on the following conditions:

By virtue of the authorization, the Board is entitled to decide on the conveyance, in one or several transactions, of a maximum of 10,000,000 of the Company's own shares.

The shares held by the Company may be conveyed to the Company's shareholders in proportion to their present holding or by waiving the pre-emptive subscription rights of the shareholders, if there is a weighty financial reason for the Company.

The shares may be conveyed in order to develop the capital structure of the Company or to finance or carry out future acquisitions, investments or other arrangements related to the Company's business or as part of the Company's personnel incentive program. The consideration, if any, paid in connection with the conveyance of the Company's own shares shall be recorded in the invested unrestricted equity fund.

The Board of Directors shall decide on other matters related to the conveyance of the Company's own shares.

The conveyance authorization is proposed to be valid until October 27, 2010.

Espoo, March 12, 2009  
The Board of Directors

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